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New York

<i>President:</i>	Mr. Zhang Yishan	(China)
<i>Members:</i>	Bulgaria	Mr. Tafrov
	Cameroon	Mr. Tidjani
	Colombia	Mr. Valdivieso
	France	Mr. Duclos
	Guinea	Mr. Traoré
	Ireland	Mr. Corr
	Mauritius	Mr. Gokool
	Mexico	Mrs. Arce de Jeannet
	Norway	Mr. Kolby
	Russian Federation	Mr. Konuzin
	Singapore	Mr. Mahbubani
	Syrian Arab Republic	Mr. Mekdad
	United Kingdom of Great Britain and Northern Ireland	Sir Jeremy Greenstock
	United States of America	Mr. Williamson

Agenda

The situation in Timor-Leste

Report of the Secretary-General on the United Nations Mission of Support in East Timor (S/2002/1223).

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The meeting was called to order at 10.20 a.m.

Adoption of the agenda

The agenda was adopted.

The situation in Timor-Leste

Report of the Secretary-General on the United Nations Mission of Support in East Timor (S/2002/1223)

The President (*spoke in Chinese*): I should like to inform the Council that I have received letters from the representatives of Australia, Chile, Denmark, Fiji, India, Indonesia, Japan, New Zealand, Portugal, the Republic of Korea, Thailand, Timor-Leste and Ukraine in which they request to be invited to participate in the discussion of the item on the Council's agenda. In conformity with the usual practice, I propose, with the consent of the Council, to invite those representatives to participate in the discussion, without the right to vote, in accordance with the relevant provisions of the Charter and rule 37 of the Council's provisional rules of procedure.

There being no objection, it is so decided.

At the invitation of the President, Mr. Guterres (Timor-Leste) took a seat at the Council table; Mr. Dauth (Australia), Mr. Valdés (Chile), Ms. Løj (Denmark), Mr. Naidu (Fiji), Mr. Nambiar (India), Mr. Hidayat (Indonesia), Mr. Haneda (Japan), Mr. MacKay (New Zealand), Mr. Macieira (Portugal), Mr. Sun (Republic of Korea), Mr. Kasemsarn (Thailand) and Mr. Kuchinsky (Ukraine) took the seats reserved for them at the side of the Council Chamber.

The President (*spoke in Chinese*): In accordance with the understanding reached in the Council's prior consultations and in the absence of objection, I shall take it that the Security Council agrees to extend an invitation, under rule 39 of its provisional rules of procedure, to Mr. Kamallesh Sharma, Special Representative of the Secretary-General for Timor-Leste.

There being no objection, it is so decided.

I invite Mr. Sharma to take a seat at the Council table.

The Security Council will now begin its consideration of the item on its agenda. The Security Council is meeting in accordance with the understanding reached in its prior consultations.

Members of the Council have before them document S/2002/1223, which contains the report of the Secretary-General on the United Nations Mission of Support in Timor-Leste.

I now call on Mr. Kamallesh Sharma, Special Representative of the Secretary-General for Timor-Leste, to introduce the report.

Mr. Sharma: It is a pleasure to appear before the Security Council, particularly as I feel I am among old friends.

In the Secretary-General's first report to the Council on Timor-Leste (S/2002/1223), which is before members, we look to the prospects of the new State with positive expectation and optimism. The report is divided into six sections, highlighting, following an introductory section, the activities of the national authorities since independence; the contributions of the United Nations Mission of Support in East Timor (UNMISET) in the three major programme areas set out in the report contained in document S/2002/432; the role being played by the wider United Nations system and other partners; and financial aspects. In conclusion, the report makes some observations and recommendations. I trust that the report will provide a useful basis for the deliberations of the Council on this issue.

Timor-Leste has many favourable features which should assist in securing its future. It is a compact country of 15,000 square kilometres, with considerable ethnic and social cohesion, which has been further intensified by the common experience of history, both distant and recent, which has sharpened that identity. That compactness is both geographical and demographic. It has a population of about 820,000. Put another way, assuming an average size of a family of five, it is a country of about 165,000 families.

That culturally cohesive population is endowed with significant resources to safeguard its economic future. Two gas and oil fields, ready for exploitation, have enormous potential for revenue, and there is evidence of on-shore hydrocarbon potential as well. A study has indicated the presence of six metallic ores in commercial quantities, which is remarkable in relation

to the size of the country. The coastline of more than 700 kilometres, large in relation to the size of the country, is commercially exploitable for fisheries. While the terrain is generally hilly, the soil offers considerable agricultural potential in a variety of crops through modernized inputs and techniques. There are interesting prospects particularly for eco-tourism and adventure tourism. The country is, therefore, considerably well endowed in its resource base.

There is also the factor of a favourable locational advantage. Although one of the least developed countries — indeed, according to current human development indicators, it is now among the poorest group of countries in the world — Timor-Leste is not part of a depressed, but rather of a prosperous, neighbourhood. In this, it does not have the disadvantage of many others among the group of least developed countries. Countries to the east and west of Timor-Leste are either developed or represent a very dynamic economic region. Timor-Leste can, therefore, be buoyed by that region, rich in both human and trading resources, by pursuing the right policies.

Another significant asset is the leadership of Timor-Leste, which enjoys international goodwill and recognition to an exceptional degree. President Xanana Gusmão, Prime Minister Mari Alkatiri and Senior Minister and Minister for Foreign Affairs Jose Ramos Horta enjoy respect and esteem in world capitals, which has assisted in the creation of a prominent international profile for the country and has prepared favourable ground for a wide network of international cooperation, from which the nascent State can derive benefit in a variety of ways.

It is true that expectations from the leadership, which faces expressions of impatience and expectation in a variety of areas, run high within the population. In a new democracy, that in itself is a healthy phenomenon, given the fact that Timor-Leste has committed itself to the highest expected standards of a responsive and participative democratic polity and to the independence of various fundamental organs of the State and has made a commitment to unfettered standards of human rights, core freedoms and a free press. The population of Timor-Leste shows itself to be zealous in protecting those rights, and the growth of opposition voices is a natural fruition of the democratic political process.

A key ingredient in the country's political and economic environment is its evolving relationship with Indonesia. That has been among the most positive lines, with political commitment and goodwill demonstrated at the highest political levels on both sides. The first meeting of the Joint Ministerial Commission for Bilateral Cooperation established between Timor-Leste and Indonesia has provided the impulse for the growth of the relationship along a wide front, and cooperation between the two countries on the question of the return of refugees from West Timor has been exemplary. The success of that collaboration in the repatriation of what constituted nearly a quarter of the population of Timor-Leste, with the assistance of the Office of the United Nations High Commissioner for Refugees, is an accomplishment that has perhaps not received as much public attention as it merits.

Lastly, Timor-Leste enjoys exceptional engagement and participation by the world community in offering partnership to this new entrant to the community of nations as it builds its future. The nature of the involvement of the United Nations has been unique and long-standing, both through the missions established by the Council and through the active presence of United Nations agencies, funds and programmes. The participation and constructive engagement of international financial institutions, development banks, the multilateral and bilateral donor community, neighbouring countries and civil society generate confidence that the third successive United Nations mission can anticipate the successful termination of its mandate in mid-2004 confident that, thereafter, Timor-Leste will advance securely on its own towards an increasingly prosperous and stable future.

The balance of accomplishment and challenge is reflected in the report of the Secretary-General presented to the Council. I would like to indicate briefly what I consider are the principal challenges before the State, in a perspective that is largely shared by the Government of Timor-Leste.

Effective policies to demonstrate and secure the rule of law, particularly in the context of the country's historical experience, is a core challenge. As President Xanana Gusmão observed in his address after 100 days of independence: "If justice in Timor is going badly, then everything else will go less well".

Together with the rule of law, I consider expansion of employment opportunity, particularly for the youth, of which 90 per cent are reportedly unemployed, as the principal independence dividend for the people of Timor-Leste, to advance which a variety of channels should be created. The goal should be to assist the society in becoming one of job creators, and not merely job seekers.

Particular stress needs to be placed on the mental and professional orientation of young people and on helping expose them to the contemporary knowledge industry and services. The idea of an interactive science park is being pursued through the United Nations Educational, Scientific and Cultural Organization. Prospects of a livelihood and technology resource centre, professional and financial assistance and basic business education are also being explored.

Regarding development, the National Development Plan, with external partnership, needs to show consistent gains in the social agenda of nutrition, health, literacy and gender equality, hand in hand with infrastructure rehabilitation and income growth.

Regarding democratic culture in depth, participative and transparent democratic processes need to be strengthened at decentralized levels; this is receiving attention. This would also contribute to bridging the rural-urban divide, which is another significant challenge.

With regard to institution building, the quality of all institutions being built and their public-spiritedness, professionalism, neutrality and transparency will be the key to the quality of governance provided by the State. The subservience of military and police authorities to civilian democratic control must be safeguarded. Certain incidents that have occurred are being dealt with firmly and in a decisive manner in this spirit.

Concerning aid absorption, Timor-Leste has been a beneficiary of significant international assistance. While this needs to be continued and enhanced in specific sectors, the absorptive capacity must also be strengthened so that the impact of the assistance available is maximized.

Members may be wondering when I will make a reference to the specific mandate from the Council. I have deliberately stressed the nation-building aspect of the mandate across a broad front as UNMISET plays the role of both enabler and facilitator of meeting

larger political, social and economic goals and implements the precise mandate in external and internal security and support to various branches of public administration. The goal of UNMISET at the end of its mission, and of the larger body of well-wishers to Timor-Leste, is to enable Timor-Leste to emerge as a State in full possession of the all attributes of sovereignty — a State that is stable and increasingly prosperous and that is making steady advances in continuing partnership with external institutions, friendly Governments and civil society.

The specific aspects of UNMISET's mandate have received, and will continue to be accorded, our concentrated attention. In a situation where capacity in public administration has to be built across the board from the ground up, the situation will remain challenging for a long time to come. However, I believe that a satisfactory start has been made, with 86 of the 100 stability positions filled and the rest in the pipeline. Earlier this month, a special interactive seminar was arranged in which the Prime Minister and a large number of ministers participated to review and strengthen the contribution to self-reliance of those stability posts. However, the filling of the 228 "development" posts, which is being coordinated by the United Nations Development Programme (UNDP) remains to be accelerated, as only about a quarter have been filled. We appeal to partner countries for a renewed support effort. The policy of having the Deputy Special Representative of the Secretary-General act as UNDP Resident Coordinator has been successful, as Mr. Hasegawa, who brings long experience to his task, is playing a central role in supporting the governance and development agenda of Timor-Leste.

In the area of internal security, 4 out of 13 districts have already been handed over to the Timor-Leste Police Service, and the schedule to hand over complete territorial responsibility by January 2004, and thereafter headquarters functions by the end of the UNMISET mandate, is on course. I have confidence in the motivation and dedication of the 2,830-strong police force, of which all but about 300 have been recruited and nearly 80 per cent, or 2,285, have been trained. It is worth noting that about 20 per cent of the force will be comprised of women, which is an exceptionally high number and represents an important factor in gender sensitivity in the police force, which is an important requirement in Timor-Leste. It will be

necessary to maintain the integrity and pride of these forces, which will be a pillar of the State.

On handing over external security responsibility to the defence forces of Timor-Leste, we also expect to maintain the drawdown schedule and complete the transfer by the middle of 2004. The eastern-most district of Lautem has already been handed over. With the bilateral decisions recently taken by Timor-Leste and Indonesia at the Joint Commission meeting in October 2002 and the timetable established by the two sides to agree on a line that constitutes the land border — in accordance with which the land border can be demarcated unequivocally — together with processes under way for bilaterally establishing a cooperative border regime in its trading, customs, immigration and security aspects, the groundwork for a stable and friendly external environment has been well prepared.

In that connection, I would like to express my appreciation for the services of Ambassador Lakhan Mehrotra, Director of the UNMISET Office in Jakarta, whose term with UNMISET is drawing to a close. Both the Government of Timor-Leste and the Government of Indonesia have lavishly acknowledged his exceptional contribution.

A new shadow has fallen over the region that adds to the security challenge. That shadow is terrorism, which constitutes more than a passing threat. The terrorist outrage in Bali, and audio tapes made by terrorists, further point towards the need for the enhanced vigilance and improved capacities of Timor-Leste to effectively deal with this emerging challenge. There is also a need to put in place protective and institutional measures to reduce vulnerability, without causing public alarm or insecurity. In that regard, the assistance of external expertise should be made available, if requested.

I value this opportunity for an interchange with members of the Council, and look forward to receiving their guidance.

Mr. Tafrov (Bulgaria) (*spoke in French*): I would like to thank the Secretary-General for his thorough and in-depth report on Timor-Leste. I also want to say how pleased I am to see Kamallesh Sharma, Special Representative of the Secretary-General and Head of the United Nations Mission of Support in East Timor (UNMISET), at the Council table. He is a very experienced diplomat and it is truly encouraging to see

the Secretary-General represented in Timor-Leste by someone of his calibre. I wish to thank him for his very interesting presentation on the report of the Secretary-General.

As a country associated with the European Union, Bulgaria aligns itself with the statement to be made by Denmark on behalf of the Union. I would therefore like to make some comments in my national capacity.

I would like to say that my delegation welcomes the fact that in the first five months since Timor-Leste's declaration of independence there has been tangible and lasting progress in the establishment and strengthening of nascent State institutions. The security situation is improving, good-neighbourly relations are continuing to be developed, in particular with Indonesia, and the new State is becoming increasingly integrated into the international community and regional organizations. Such success would not have been possible had it not been for both the efforts of the new Government and the indispensable assistance of concerned States and non-governmental organizations (NGOs).

We should recognize the remarkable progress made in the transfer of functions from UNMISET to the new Timorese Administration, including the police.

We support UNMISET's efforts to implement its mandate under Security Council resolution 1410 (2002) within the established time frame. Bulgaria welcomes the effort to optimize the international presence in Timor-Leste by downsizing administrative personnel and better coordinating the international assistance received by the country.

Good-neighbourly relations are at the very heart of the stability and economic development of Timor-Leste and of its becoming a part of the international community. We have already welcomed the creation by Timor-Leste and Indonesia of the Joint Ministerial Commission for Bilateral Cooperation to take up remaining problems between the two countries, inter alia, delimitation and demarcation of the border and the return of Timorese refugees. We welcome the decision to maintain the Joint Border Committee, and we call upon the parties to continue their efforts to reach agreement on delimitation and demarcation of the border as soon as possible.

My country also welcomes the decision by the Timor-Leste Government to sign a communiqué

identifying 11 human rights goals. This is a clear commitment by political leaders to shoulder their responsibilities in defending human rights and developing democracy in the young country.

The progress in the country's management is without question a good beginning for Timor-Leste, but serious, unresolved problems remain: there is a shortage of administrative capacity, particularly affecting the judiciary system; a truly modern infrastructure is lacking; and social stability remains fragile and the country faces the problem of the reintegration of ex-combatants and the return of refugees.

My country highly appreciates the active role and personal commitment of the Secretary-General in the effective coordination of activities of the United Nations system in Timor-Leste.

I would like to conclude by once again paying tribute to Ambassador Sharma and his team for the work they have done. I thank them all for their excellent work. I convey my deep sympathy to the families of peacekeepers who were victims of the terrorist attack perpetrated in Bali.

Mr. Tidjani (Cameroon) (*spoke in French*): It is with real pleasure that my delegation welcomes Ambassador Kamalesh Sharma to this public meeting on the occasion of his presentation of the first six-monthly report of the Secretary-General (S/2002/1223) on the United Nations Mission of Support in East Timor (UNMISET). Cameroon wishes to tell the Special Representative of the Secretary-General how very much we appreciate the exceptional work accomplished in such a brief period of time. I would like at the same time to thank the Secretary-General for the high calibre of this full, precise and most informative report.

Since 20 May 2002, the Democratic Republic of Timor-Leste has given evidence of extraordinary dynamism both at the domestic level and in terms of foreign policy. In the national sphere, the new authorities of Timor-Leste are, above all, working to assume their functions. This obviously entails developing national capacities, in particular, in the important justice, police and defence sectors. The strengthening of human and institutional capacities in Timor-Leste also relates to areas that are particularly decisive for development, such as education and training, health and agricultural development.

With the support of UNMISET and bilateral donors, substantial progress has been made since 20 May 2002 in capacity-building in all areas. Cameroon is particularly pleased to be participating in this UNMISET success story, be it through coordination or capacity-building in the legal, health, agricultural development or communications fields.

My delegation shares the concerns expressed in the report regarding the establishment of a competent and independent judiciary in Timor-Leste, and we endorse the relevant suggestions made in the report in this regard.

The other topic that I would like to raise is that of the police and defence. Cameroon notes with pleasure that the new Timor-Leste Police Service is already responsible for four out of the 13 districts. This leads us to hope that by January 2004, as scheduled, the maintenance of law and order will be fully in the hands of the Timorese police. In the meantime, we welcome the remarkable work being done on a daily basis by UNMISET's civilian police component which is both maintaining law and order and successfully fulfilling its important role in advising and training the local police.

Still on the questions of security, I would like to emphasize the positive development regarding the external security and the territorial integrity of Timor-Leste. This, of course, is primarily the result of the work done by the Timorese Government, but the results also are to the credit of the military component of UNMISET and of the Indonesian armed forces. The triangular cooperation among these three structures has undoubtedly made it possible to improve and to ensure a climate of stability and security with West Timor. It is clear that if this progress is further strengthened as time goes by, the Security Council's goal of gradually reducing the United Nations military presence within a reasonable time period can be successful.

I would like, in conclusion, to refer to two aspects that I believe are decisive to the future and to the economic and social progress of the Democratic Republic of Timor-Leste. In the international sphere, four major initiatives should be emphasized in view of their present and future impact on the political and legal shape of Timor and on Timor's development. These are, first, the admission of Timor-Leste to the United Nations on 27 September 2002 — a symbolic event but, above all, a major diplomatic act. My

country supported it, and we are preparing to establish our own diplomatic relations with that country in the coming weeks.

There is also the fact that Timor-Leste participated in last July's Fiji Summit of the African, Caribbean and Pacific Group of States. This is a prelude to Timor-Leste's joining the Cotonou Agreement with the European Union. We should also emphasize the political judgement and insight of the Timorese authorities that led them very quickly to normalize their relations with their two neighbours which cannot be ignored, Australia and Indonesia. Those two countries and their Governments also deserve, together with the Dili authorities, to be commended and encouraged in the steps that they have taken to maintain economic relations, friendship and cooperation with Timor-Leste based on constructive dialogue, trust and mutual benefit. It is, indeed, indispensable to turn the page and to start again on a new foundation.

Last but not least, the action of the international community is essential to the promotion of Timor-Leste's endogenous and sustained development. Therefore, I should like to reiterate a pressing appeal to the various donors — made explicitly by the Secretary-General in his report — not only that they maintain their support for this young nation, but also, and above all, that they substantially increase their support for Timor-Leste so that, very soon, the country will be able to fly, surely and with dignity, on its own wings.

Mr. Konuzin (Russian Federation) (*spoke in Russian*): We are grateful to the Secretary-General for his report (S/2002/1223), which provides a detailed account of the work carried out during the reporting period by the United Nations Mission of Support in East Timor (UNMISET) to implement Security Council resolution 1410 (2002). It also gives an accurate account of the main problems facing the establishment of statehood in Timor-Leste.

In Timor-Leste, the Organization has acquired truly unique experience, first in helping to prepare for independence and then in assisting with the formation of the young State. We must ensure that that experience — which has undoubtedly already gone down in history as a shining example of a successful effort by the United Nations — is further enriched.

The new institutions of State administration in Timor-Leste are not yet firmly in place, and it is quite clear that, in order to strengthen them — particularly in the initial period after the proclamation of independence — the international community must continue to provide support for this youngest of all States. In that connection, we welcome UNMISET's efforts to assist in the establishment of Timor-Leste's statehood, and we would emphasize the need to strengthen support in the donor community for that process.

The key problems being addressed by the Mission certainly include determining how to help to ensure external and internal security for the new State. Until full responsibility for security is transferred to the national army and police, Mission personnel must ensure that conditions are in place that will exclude any possibility of destabilization in the country, which could undermine independence. We welcome the broadening of the areas of responsibility for Timor-Leste's army and police, which are now being trained. That will help to ensure the reduction and withdrawal of UNMISET's military contingent on schedule and without any particularly serious complications. We think it important that the leadership of Timor-Leste continue to demonstrate unity and pursue its policy of establishing good-neighbourly relations with contiguous countries.

Support for social and economic development in Timor-Leste by multilateral and bilateral donors is crucially important to long-term stability in the country. Therefore, we welcome UNMISET's assistance to the Government as it seeks to attain the goals of the National Development Plan by working on priorities in the political, socio-economic and humanitarian fields.

In conclusion, we wish every further success to Special Representative Kamallesh Sharma and to all other Mission personnel as they seek to consolidate the positive progress that has already been achieved in assisting the young State of Timor-Leste.

Sir Jeremy Greenstock (United Kingdom): My delegation fully associates itself with the statement to be made shortly on this subject by Denmark on behalf of the European Union.

I should like to express a very warm welcome back to the Council to Ambassador Sharma and to

commend him on the excellent start that he has made as Special Representative of the Secretary-General.

We are very much pleased to see the Secretary-General's report (S/2002/1223) and are grateful for that and for the clear and informative briefing that we have had today. The United Kingdom is very much encouraged by the progress that has been achieved in Timor-Leste since independence, and we should like the Special Representative to convey the thanks of the Council to the whole UNMISET team for what they have achieved, both before and after independence.

In addition, we express our sympathies for the families of the victims of the Bali bombing.

The report and the briefing together set out an approach that the United Kingdom fully supports for Timor-Leste. We also welcome the continued commitment by the Government to achieving the objectives set out by the Security Council in resolution 1410 (2002), but it is clear that there are many tough challenges still ahead. We are particularly aware that urgent action is needed to alleviate poverty, to improve employment and to strengthen the still-fragile institutions.

I should like to go through a number of detailed points. We welcome the news that 86 of the 100 stability posts have now been filled, but we are still concerned that only a quarter of the 228 development posts have thus far been filled. We urge UNMISET to deal with those as quickly as possible — particularly the posts for which it has already secured funding — and if the Special Representative could give us some sense of a time frame for that, it would be useful. We hope that international experts working in Timor-Leste will focus on training their Timorese counterparts rather than on trying to do the job themselves. That is an important aspect of capacity-building.

On the economic side, we understand from the International Monetary Fund — which is currently visiting Timor-Leste — that it estimates a shortfall of between \$60 million and \$80 million in the budget up to mid-2005 and that it is also expecting the economic situation to worsen in the second two years of this triennium, in 2004 and 2005, which will clearly affect the social safety nets. So we would be grateful to learn a bit more about the assessment of the United Nations as to the current economic and budgetary situation and what needs to be done to address it.

I note that the rule of law is the first of what the Special Representative considers the principal challenges that the new State faces. There are reminders of our experience in the Balkans echoing here. Respect for human rights and for the rule of law is crucial for Timor-Leste's future. We therefore welcome the establishment of the *Provedor* office, but we are concerned at the suggestion that the Judicial Magistrates Statutes do not provide sufficiently for the independence of judges and lawyers. I would be grateful to know whether anything is being planned to remedy that.

We look forward to the United Nations Development Programme (UNDP) assessment mission and to the provision of a suggested road map of assistance for the justice sector by the Portuguese justice sector expert on the World Bank monitoring mission. A review of all pre-trial detentions is clearly needed, and we are especially concerned about the 10 juveniles currently in detention. We welcome the recent indictments issued by the Serious Crimes Unit, especially for members of the *Tentara Nasional Indonesia* (TNI) suspected of murdering Dutch journalist Sander Thoenes. The poor performance in attracting forensic pathologists needs to be addressed. The mandate implementation plan of 10 priority cases needs to be completed quickly to increase the chances of successful reconciliation. I would like to ask whether the Special Representative has any suggestions for what can be done about serious crimes which fall outside the remit of the mandate implementation plan, because we believe these could undermine work on the plan.

We look forward to the multi-donor mission to Timor-Leste next week to look at the needs of the national police. We are pleased that the transfer of responsibility to the national police is proceeding well; it is important that the police should be fully capable of maintaining law and order when the time comes for UNMISET's departure. Finally, we would be interested in knowing whether the United Nations has any plans to revise its phase-five security status for West Timor.

I end by repeating our thanks to UNMISET for its work and giving, through Mr. Sharma, our best wishes to them and to the Government of Timor-Leste for the coming period.

Mr. Williamson (United States of America): We appreciate the progress achieved in the first six months of the mandate of the United Nations Mission of Support in East Timor (UNMISET) and the good work done by Ambassador Sharma and his staff. We welcome Ambassador Sharma's assessment that the mission phase-out remains on target for June 2004. Over the next 18 months we hope that the relationship between Timor-Leste and Indonesia will continue to flourish. We encourage both sides to continue their cooperation to delineate their mutual border by June of next year.

The United States agrees with the Secretary-General's report that the functioning of the Timor-Leste justice system is of central importance for the stability and development of the State. Therefore, we are concerned about the shortcomings of the judicial system highlighted in the report: a lack of clarity regarding the separation of powers among the judiciary, the legislature and the executive; the members of the Superior Counsel of the Judiciary have not been appointed, thereby delaying the filling of judicial and prosecutorial vacancies; there is a need for capacity-building for the administrative staff of the Minister's office; there is a need to train prosecutors; and so on.

The report said the majority of the prison population is being held for prolonged periods without trial and that on 16 August during prison disturbances nearly 193 prisoners forced their way out of the prison. That is also troubling. We hope and expect that the Government of Timor-Leste, working with UNMISET, will seriously tackle these areas of concern in the judicial sector.

We note that the downsizing of the military component is on track. The United States is pleased that the United Nations is committed to terminating the Mission in the summer of 2004, provided that no significant challenges occur. Indonesia no longer presents a significant threat to Timor-Leste. There have been no recent United Nations military engagements with the militia, or even sightings of them in Timor-Leste. The United Nations has demonstrated its ability to adapt UNMISET's downsizing plan to an unforeseen delay in the normalization of the border with West Timor. The evolving situation in Timor-Leste — continued reduction of the militia threat but delays in the border normalization — highlights the need for

constant review and reassessment of United Nations downsizing plans for UNMISET.

The United Nations reassessment of the changing situation in Timor-Leste can be a model for the United Nations to follow with the United Nations Mission in Sierra Leone (UNAMSIL). In the case of UNMISET, the United Nations assessment found a solution that permitted a continuation of its original projected downsizing rate, whereas if additional challenges had been presented the United Nations might have been forced to recommend a decrease in the rate of withdrawal and perhaps to extend the projected mission termination date. The United States commends UNMISET and the Government of Timor-Leste for their agility and for this progress.

The Security Council is united in its commitment to a Timor-Leste with both political independence and the infrastructure of a stable, just and efficiently governed State. The progress has been remarkable. While, as I have noted, there is more that needs to be accomplished, overall Timor-Leste is a great success story, and there are lessons to be learned from this progress. Therefore, six months into UNMISET, we think it is constructive to reflect on the factors behind the good news we have heard today. Why have the United Nations efforts in Timor been a success? A number of reasons come to mind.

First and foremost, the brave people of Timor-Leste deserve credit for their dedication and hard work, and for their commitment to achieving independence, to letting democracy take root and to building institutions in the economy necessary for a better future for themselves and their children. The Timor-Leste leaders should be acknowledged for their good work. Any sustainable progress must be constructed on the hopes of the people coupled to their dedication to translate those hopes into reality.

Second, however, there was overwhelming consensus and support in the international community and among the Timorese for the initial intervention and the United Nations assumption of administrative powers.

Third, both peacekeeping missions — the United Nations Transitional Administration in East Timor (UNTAET) and UNMISET — have had a clear end game. For UNTAET it was political independence. For UNMISET it has been to provide the training wheels to

help the Timorese build their own functioning administration, civil service, police and security force.

Fourth, after the initial intervention there were no major armed groups for the peacekeepers to disarm.

Fifth, the peacekeeping force was highly professional and operated under robust rules of engagement. There was no prospect of Blue Helmets becoming human shields.

Sixth, the relatively small size of Timor-Leste, with a population of under 1 million and a land border with only one neighbour made the logistics of establishing security and administration more manageable. Compare this to a vast country like Afghanistan, with its 20 million people, and the point becomes clearer.

Seventh, the local population always has had a strong cohesive sense of national identity less driven by ethnic and religious strife than elsewhere.

And eighth, the lack of lust for revenge and reprisal among the Timorese has enabled a smooth return and reintegration of the vast majority of refugees who fled the violence in 1999.

While the combination of those circumstances may be unique, collectively they set a standard of success that future United Nations operations should seek to follow. Over the next 18 months we look forward to UNMISET continuing to be a success, a success with lessons upon which we should draw and, most important, a success that will bring a better life to the people of Timor-Leste.

Mr. Mekdad (Syrian Arab Republic) (*spoke in Arabic*): Allow me at the outset to extend my profound thanks to Ambassador Kamallesh Sharma, Special Representative of the Secretary-General in Timor-Leste, for his comprehensive and useful briefing this morning and for the efforts he is exerting along with all the workers of the United Nations Mission of Support in East Timor (UNMISET). We wish him all success in his performance and in the important mission he has been entrusted with.

We wish to express our appreciation to the Secretary-General for his report on the United Nations Mission in East Timor, which is of particular importance because it is the first report that deals with the developments in the Democratic Republic of

Timor-Leste in the wake of their independence on 20 May 2002 and the establishment of the Mission.

We would like to express our satisfaction at the fact that Timor-Leste has joined the United Nations and other international and regional organizations, and that it has established diplomatic relations with all the States members of the Association of South-East Asian Nations.

The report highlights a number of challenges, most of which relate to the lack of necessary resources, the importance of funding and the need for continued support by donors. We therefore appeal to all the donors to maintain their support for Timor-Leste's current rebuilding and development programme and to assist the Government in its efforts to formulate and achieve the objectives of the national development plan.

Syria therefore concurs with the report's assertion that multilateral aid from donors aimed at achieving socio-economic prosperity in Timor-Leste is a vital prerequisite for the long-term stability of that country.

We would like to express our concern about the slow rate of refugee return since the end of June, and we agree with the report that a resolution of that problem is necessary for the stability of the country.

Syria welcomes the general improvements referred to in the report with regard to the state of external security and border monitoring and the need to ensure a stable and secure environment. This has been made possible by the intensive presence of the military components of the United Nations Mission of Support in East Timor (UNMISET) at the borders, as well as by consultation, cooperation and continued coordination with the Mission's counterparts in the Indonesian force in West Timor.

We continue to look forward to agreement on demarcation and the implementation of joint obligations, as declared by Timor-Leste and Indonesia, which would allow UNMISET to downsize its presence and, finally, to withdraw.

Mr. Gokool (Mauritius): My delegation, like others, also extends a warm welcome to the Special Representative of the Secretary-General, Ambassador Kamallesh Sharma, and thanks him for his informative briefing in introducing the report of the Secretary-General on the United Nations Mission of Support in East Timor (UNMISET). We commend the Special

Representative for the excellent manner in which he has steered the work of UNMISSET since its inception, and we wish him and his team much success in the fulfilment of the Mission's mandate and in addressing the principal challenges that confront the young island State and to which he has just referred.

We are pleased to note that the Government of Timor-Leste and its national institutions have assumed responsibility for the management and conduct of its affairs. The report clearly highlights the developments in Timor-Leste after independence. We take note of the progress towards the promotion of a broad-based democracy in Timor-Leste through the establishment of legislative, executive and judicial structures. An effective and functioning democracy must have necessary safeguards for the protection of human rights and the promotion of the rule of law. We are particularly pleased to see that the protection of human rights in Timor-Leste is being institutionalized. We are confident that the office of the "Provedor" will carry out its activities in the most professional manner.

It is heartening to learn that the Commission for Reception, Truth and Reconciliation, established to facilitate reconciliation with justice, has commenced its operational phase. A country that has suffered from so much trauma and been subjected to untold hardships cannot embark on nation-building without justice being seen to be done. Nation-building is never complete without a consolidated, united and peace-loving society. In this regard, Mauritius believes that more is required in order to encourage longer-term reconciliation among the Timorese. Importance must, therefore, be given to nation-building, capacity-building and institution-building.

The strong commitment of the Security Council and the international community has been instrumental in the success achieved so far in Timor-Leste. As the report observes, it is important that the Security Council and the donor community remain engaged, so as to build upon the outstanding contribution that has been made to date. The Security Council should therefore continue to support the country in order to preserve and promote its political and economic independence.

It is undeniable that without a strong and well-equipped public administration it would be difficult to implement the programmes of the Government. The challenges mentioned in paragraphs 11, 12 and 13 must

therefore be addressed as soon as possible in order to maintain the stability and move forward with the developmental process. We hope that the donor community will make additional efforts by providing the funding required to enable the commitments to materialize. We fully agree that the support of multilateral and bilateral donors in ensuring the economic and social well-being of Timor-Leste is vital for the long-term stability of the country.

We welcome the progress made so far in the Timorization process in all sectors, particularly in the police and defence forces. It is encouraging to learn that a total of 2,285 Timor-Leste Police Service officers are now serving their country. We fully support this process and hope that the joint assessment mission, planned to take place this month with the involvement of the Government of Timor-Leste, the United Nations and donor countries, will come up with proposals that will address the needs of the Timor-Leste Police Service. We are happy to note that the first phase of the four-phase downsizing programme will be completed as planned by the end of November, and we hope that the national defence force will become fully operational by June 2004.

The resolution of the refugee problem is, indeed, a matter of high priority. No effort should be spared to accelerate the voluntary return of refugees who remain in West Timor. The extremely low return rate registered in October is a matter of concern. We commend the initiative of President Gusmão to make a personal appeal to the refugees to return. The process of reconciliation and nation-building will be more effectively consolidated by the voluntary return of the refugees and by providing them with the necessary facilities for their full integration into society.

My delegation is gratified at the pace at which Timor-Leste is forging its relationships abroad. We are pleased to note that it has established diplomatic relations with almost all States members of the Association of South-East Asian Nations, and has become a member of the World Bank, the Asian Development Bank and the Community of Portuguese-Speaking Countries. As a small island State, Timor-Leste needs the support of the international and regional communities in its economic reconstruction efforts and in building a solid, united and peaceful country.

My delegation takes particular note of the constructive approach demonstrated by President Megawati Soekarnoputri of Indonesia. The creation of a Joint Ministerial Commission for Bilateral Cooperation to address issues of mutual concern in the maintenance of the Joint Border Committee is a real and significant step forward. This shows the genuine commitment of both countries to the success and prosperity of Timor-Leste.

Finally, let me commend the people of Timor-Leste and its leaders for their undying spirit in rebuilding their country. Although their road to independence was long and difficult, the resilience and true dedication of the people of Timor-Leste for the well-being of their country will certainly make that small island State a prosperous and peaceful place to live.

Mr. Duclos (France) (*spoke in French*): I, too, would like to thank Mr. Sharma for his statement and for the excellent work that he has been doing. France fully associates itself with the statement to be made later by the representative of Denmark on behalf of the European Union, but I would like to add a few comments.

First, I should like to reiterate our satisfaction with the work done by the United Nations Mission of Support in East Timor (UNMISET). Three goals were set for the Mission, and, to a large extent, they have been attained.

The first task involves the transfer of policing responsibility. The process is moving forward on schedule and should be completed by January 2004, in keeping with the timetable.

The second task is the establishment of a national defence force. We welcome the beginning of the process of the transfer of power and look forward to its completion by 2004. In that connection, we note that the question of refugees in West Timor no longer seems to pose a threat to stability in the region.

The third task relates to the consolidation of the Administration. Here prospects are less clear, naturally, because this is a most important and sensitive issue. Institutions seem to be functioning well, and the relations between the President, the Government and the Parliament, elected in August 2000, appear to be satisfactory. But there are still disturbing shortcomings in connection with the judiciary, and prison

administration in particular, and solutions must be found as quickly as possible. In the short term, this will require further efforts to complete recruitment of Timorese civil servants. In more general terms, with respect to institutional matters, political pluralism must continue to be encouraged.

Above and beyond the work of UNMISET, the future and long-term prosperity of Timor-Leste seems to us to depend, *inter alia*, on three factors.

First, efforts towards rebuilding and economic development must be redoubled — a point that several members made earlier. International assistance and mobilization must therefore continue. In this connection, we reiterate the appeals made by others.

The second factor relates to the judiciary. It is important that there be a certain consistency between the decisions taken with respect to serious crimes, whether such decisions are taken in Dili or in Jakarta. We are aware of the concerns expressed by the High Commissioner for Human Rights with respect to the *ad hoc* human rights tribunal in Jakarta. In the wake of the tragic events that took place in Timor-Leste, the judiciary system in both countries has a paramount role to play in ensuring full and lasting reconciliation. In this connection, I share the concerns that have already been expressed on this score.

The third factor — the establishment of good relations between Timor-Leste and its neighbours, in particular Indonesia — is a positive factor, and we are pleased at how things are proceeding in this respect. The Joint Ministerial Commission, together with Indonesia, began work last month, and initially promising results have been achieved. I should like to ask a few questions of Mr. Sharma on this point.

Could he tell us what is happening with respect to the important issues of compensation and the right to assets? Has the Joint Commission addressed these issues? Are people becoming more receptive to the zero option advocated by Mr. Sharma? And lastly, could the Special Representative tell us more about the demarcation of the land and sea borders between the two countries?

I would now conclude my statement by simply reiterating our very positive assessment of the work being done by the United Nations in Timor-Leste.

Mr. Traoré (Guinea) (*spoke in French*): May I first of all thank the Secretary-General for his first report on Timor-Leste. On behalf of my delegation, I should like also to welcome to the Council Mr. Kamallesh Sharma, the Special Representative of the Secretary-General for East Timor, and to express our appreciation for the useful information he has just given us. We commend him for the excellent work that he and his team have done on the ground in such a short period.

At the public meeting of the Security Council on 20 May 2002, my delegation stated that, with Timor-Leste's independence, a new era was opening up for the country. We noted the tremendous amount of work that lay ahead of the new authorities and stressed the need for the international community to remain engaged in supporting the efforts being made.

Six months have elapsed now, and my delegation is pleased to see that a great deal of progress has been achieved thanks to the work done by the people there, the leaders of Timor-Leste and the international community.

However, many challenges remain that must be dealt with to enable that young State to shoulder all of its responsibilities.

The report under consideration tells us how the situation is evolving on the ground and discusses the responsibilities of the various players with respect to strengthening what has been achieved and developing Timor-Leste. My delegation welcomes the efforts made to ensure the proper functioning of national institutions and to promote a participatory democracy that reflects the concerns of the Timorese. It welcomes Timor-Leste's joining the World Bank, the Asian Development Bank and the Community of Portuguese-speaking Countries.

The elaboration of a regulatory and technical framework for the development of the natural resources of the country, in particular oil and gas, is a prerequisite for resolving the socio-economic problems of the country. We note also the contribution made by the United Nations Mission of Support in East Timor to the implementation of Security Council resolution 1410 (2002).

Programme I, on stability, democracy and justice, suffers from some technical shortcomings that require our attention. Programme II, on internal security and

law enforcement, has resulted in a drop in crime, thanks to the unified chain of command of the United Nations police and the Timor-Leste Police Service. In this connection, we support the continuation of the training programme, so as to ensure the successful transfer of power from the United Nations police to the Timor-Leste Police Service.

Programme III concerns external security and border control. In this respect, my delegation welcomes the joint efforts made by the Governments of Timor-Leste and of Indonesia, *inter alia* to put an end to crime and to maintain an atmosphere of stability. In that connection, we believe that settling the question of refugees is more necessary now than ever before.

We also welcome the launching of the National Development Plan for Timor-Leste, and we urge the various partners to give it greater support in order to facilitate a smooth transition.

Lastly, given the fragility of the institutions, my delegation is convinced of the urgent need to build capacity, to develop human resources and to pursue appropriate policies in order to strengthen the foundation for sustainable development in Timor-Leste.

Mrs. Arce de Jeannet (Mexico) (*spoke in Spanish*): Let me first thank the Special Representative of the Secretary-General for his presentation of the report on the United Nations Mission of Support in East Timor (UNMISET). Let me also express my Government's appreciation to Ambassador Kamallesh Sharma and his entire team for their work at the head of UNMISET.

Mexico welcomes the progress made by UNMISET in the implementation of the mandate established by resolution 1410 (2002). The work undertaken by the United Nations and the international community in Timor-Leste constitutes a foundation on which future missions can be developed, taking into account the particularities of each individual case.

On 27 September 2002, we welcomed Timor-Leste into the United Nations community as the 191st Member State. In a brief time, the Timor-Leste authorities have made considerable progress in consolidating their State, which is founded on a broad-based, participatory democracy. In this process, the establishment and consolidation of relations of

friendship and good-neighbourliness have been of prime importance.

It is encouraging to note that, thanks to cooperation with the Indonesian authorities, many of the problems along the border are being dealt with. In particular, I wish to express my Government's satisfaction at the agreements reached in the Joint Ministerial Commission with Indonesia for the prompt delimitation of the border. States have a right to live within secure and internationally recognized borders. We appeal to the States concerned to accelerate the process of the delimitation of the land and maritime borders.

As the Secretary-General rightly states in his report, resolving the problem of refugees remains a requirement for stability. The fact that this coming December Timorese refugees might lose their refugee status and be left in a state of vulnerability due to the lack of protection under the Statute is a source of concern to my Government. It is therefore urgent to continue to promote the assistance programmes being conducted by the United Nations High Commissioner for Refugees (UNHCR) for the repatriation of Timorese refugees, as well as the efforts to promote and to protect human rights. In that regard, we welcome the announcement made on 1 November that the UNHCR and the International Organization for Migration will join efforts to complete the return of refugees by the end of the year.

Another welcome development is the progress made in the area of internal security, in particular in the training of, and gradual transfer of responsibility to, the Timor-Leste Police Service. A stable security situation will make it possible by the end of this month, as scheduled, to complete the first phase of the four-stage programme to reduce the presence of UNMISSET.

I wish to express Mexico's support for the work being accomplished by the Serious Crimes Unit, as well as the work of the Commission for Reception, Truth and Reconciliation. I also wish to express Mexico's appreciation of and support for the Timor-Leste Government's joint signing with the United Nations High Commissioner for Human Rights of a communiqué establishing 11 goals in the area of human rights. The strengthening of a culture of human rights will contribute to the stability of the country.

We should therefore take into consideration the Secretary-General's statement that future progress will depend on maintaining stability in Timor-Leste and on the successful development of a national defence force and the Police Service, including the border service. The support of the international community is essential to those objectives. In this effort, it is crucial to support adequately the strengthening of the judicial system.

It is a source of concern that the Timorese Administration is encountering difficulties in dealing with problems such as the reintegration of ex-combatants, the training and recruiting of civil servants, the indictment of those responsible for serious crimes committed in 1999 and the training of the Border Patrol Service. For that reason, we join the appeal to the international community that it continue to give its assistance in order to ensure the internal stability of the country.

The National Development Plan places appropriate emphasis on the link that exists between the rehabilitation of infrastructure and national development. Mexico supports initiatives that are being undertaken to help the Government of Timor-Leste in its efforts to achieve its objectives and to facilitate the smooth transition of the United Nations role to traditional development assistance. In particular, we support those programmes aimed at poverty reduction, the promotion of good governance, the administration of expenditures, policy management and the development of the private sector and of the energy sector.

The support of the international community, in particular the United Nations, has been fundamental to the success of UNMISSET. For that reason, we support the appeal of the Secretary-General that this commitment be maintained so that the goals set can be met.

Mr. Kolby (Norway): I would also like to join in welcoming Special Representative Kamallesh Sharma and thank him for his presentation. We also welcome the report of the Secretary-General on the activities of the United Nations Mission of Support in East Timor (UNMISSET) and the substantial progress that has been reported in Timor-Leste. It is clear that the Government, under President Xanana Gusmão, has taken office and is working hard to promote its goal of a broad-based democracy. We welcome in particular its willingness to seek dialogue with interest groups that

have political views different from those of the Government. It is a position that shows maturity and true commitment to the principle of pluralism.

Norway also welcomes the progress made in the bilateral relationship between Timor-Leste and Indonesia. The participation of the President of Indonesia in the independence celebrations in Timor-Leste and the subsequent visit of President Gusmão to Jakarta on 2 July 2002 showed their common commitment towards establishing strong bilateral bonds. The decision by the Joint Ministerial Commission for Bilateral Cooperation to maintain the Joint Border Committee equally signalled the wish to address issues of mutual concern.

As indicated in the Secretary-General's report, a durable solution to the refugee problem remains a prerequisite to ensure long-term stability in Timor-Leste. More than 35,000 refugees still remain in West Timor. It is indicated that this group will lose its refugee status by the end of the year, when the Office of the United Nations High Commissioner for Refugees closes down its operations in the area. We therefore hope that President Gusmão's recent appeals to the refugees will encourage increased return to Timor-Leste.

We have taken due note of the concerns voiced by the High Commissioner for Human Rights with regard to the verdicts delivered in August by the Indonesian ad hoc tribunal, and we urge Indonesia to address those issues carefully. In this context, we welcome, however, the continued assistance offered by UNMISET to the witnesses travelling to Jakarta — an undertaking deemed to be crucial to progress in the process aimed at bringing to justice those responsible for serious crimes in 1999.

The Special Representative notes that insufficient technical and substantive capacity poses significant challenges within the public administration in Timor-Leste. This also relates to the justice system. The fact that the lack of resources results in detentions without legal basis is a matter of concern. Norway therefore supports and encourages the Government's continued efforts towards the establishment of a well-functioning court system based fully on the principle of the rule of law.

Allow me to end by expressing our satisfaction with the fact that UNMISET is progressing according to the schedule set out by this Council. Moreover, I

would like to fully endorse the Secretary-General's highlighting of the need to complement UNMISET's implementation plan with sufficient bilateral assistance in a number of key areas crucial to the ongoing nation-building. In this regard, Timor-Leste can continue to count on the full support of the Norwegian Government.

Mr. Mahbubani (Singapore): I, too, would like to join our colleagues in welcoming an old friend, Ambassador Kamallesh Sharma, back here. One of his great assets is that he enjoys great confidence in the United Nations community here. I am sure that this confidence will prove to be an asset to him in the field. I also have one small suggestion to make to him. I am sure he is thinking a bit about writing his memoirs after he leaves Timor-Leste and I have found a title for him. The title should read "From New Delhi to New Dili".

Let me begin, first of all, by endorsing a point that I believe Ambassador Williamson made in his statement when he said that the United Nations success in Timor-Leste provides a textbook example of a success story in exit management that we could use in other areas where the United Nations is working. I think that is an important point because, frankly, if we look at the record of the United Nations in terms of its exit strategies, some of its past peacekeeping operations have been less than glorious. We hope that, this time around, the United Nations will get it right. The likelihood is that, of course, the United Nations will get it right partly for the reasons that Ambassador Sharma spelled out at the beginning of his statement, when he spelled out the various strengths of Timor-Leste as a new country. I think, too, if I remember correctly, Ambassador Williamson also spelled out a list of strengths that Timor-Leste enjoys. I think we should build on the strengths that Timor-Leste has.

If I had to add one more point to that list of strengths — and I hope my new colleague from Timor-Leste will not mind if I make this point — it is that Timor-Leste is a relatively newly independent State that can actually learn from the mistakes of all of us who became independent 10 or 20 years ago. I think Timor-Leste can benefit from seeing what mistakes have been made by others.

There seems to be a sort of consensus so far in the discussions that, if we are to continue to maintain this success story, we must have a clear and balanced understanding of the achievements made so far and the

challenges that remain for Timor-Leste. It is clear that much has been achieved, but it is also clear that we still have a lot to do before the mandate is accomplished and before Timor-Leste can stand completely on its own. Even then, there will have to be continued United Nations development assistance for many more years to come.

Clearly, the United Nations and Timor-Leste are at a very important stage of their relationship, a phase in which the United Nations Mission of Support in East Timor (UNMISET) is devolving more and more operational responsibilities to the Timor-Leste authorities. This has to be done very cautiously and gradually. It cannot be done so slowly that the Timor-Leste Government does not have the opportunity to take up the reins in the areas in which it is able to do so, but at the same time it cannot be too quick, without due regard for the actual situation on the ground. As we have said repeatedly, a hasty downsizing and withdrawal of UNMISET will unravel all the achievements that have been made by the United Nations in Timor-Leste. Therefore, a very fine balance has to be struck in this devolution.

In some ways, Ambassador Sharma's job is probably more difficult than that of his predecessor, because his predecessor functioned more or less like a chief executive officer, making all the decisions. I think Ambassador Sharma, if I may describe his job, serves more like a facilitator trying gradually to allow the emergence of a strong, newly independent State. Ironically, the best test for success for Ambassador Sharma is to make himself completely redundant in Timor-Leste by 2004.

Having said that, it is also clear to me, listening to everybody, that there are many important challenges that remain. They have been spelled out by virtually everyone that has spoken here, and we just want to mention three or four.

My first point is that, while Timor-Leste is consolidating its foundations, its emerging institutions remain fragile and its leaders will have to continue to deal with the dissatisfaction and protests of diverse interest groups, former combatants and veterans.

Secondly, while Timor-Leste and Indonesia have taken concrete steps to enhance bilateral cooperation, including on border issues, we note the phrase in the report that says that "earlier assumptions about

progress towards demarcation have proven optimistic" (S/2002/1223, para. 48).

Thirdly, despite the efforts of the UNMISET Civilian Support Group, insufficient technical and substantive capacity within the Timor-Leste public administration continues to pose significant challenges to stability. I believe Ambassador Greenstock raised some questions about the filling of the development posts that have been created. One important point that was also made is that it is important to ensure that the international experts, as someone said, are not seen to be doing their job. They must be seen to be preparing the people of Timor-Leste for the job.

My fourth point — and again, this has been touched upon by several speakers — is that the development of the judicial system suffers from a lack of clarity regarding the separation of powers among the judiciary, legislature and executive. Of course, there is also a lack of crucial resources. The seriously limited national capacity may affect serious crimes investigations and proceedings, with possible implications for the reconciliation process.

These are just a few of the challenges. Taking all this into account, it is clear that, as we move forward from here, there must be a clear understanding that the process of the devolution of UNMISET cannot move on the basis of an autopilot. It has to make constant judgements on the stage of progress we are making at each point in time. Here again, if my memory serves me correctly, I believe that Ambassador Williamson also indicated in his statement that we should constantly judge and see whether we are making progress along the lines in which we are expected to do so, and bear this in mind.

This brings me to a point that we raised at the private meeting of the Security Council on Timor-Leste. That is whether we can come up with more specific benchmarks for Timor-Leste's progress similar to those which Special Representative of the Secretary-General Michael Steiner has worked out for Kosovo. It is possible that we were not clear at that meeting, so maybe we should elaborate on what we meant by this. We recognized that milestones for UNMISET were included in the Secretary-General's report of 17 April 2002 (S/2002/432), which recommended the establishment of the peacekeeping mission.

We would like to suggest that UNMISET produce a document similar to that produced by United Nations Interim Administrative Mission in Kosovo (UNMIK), which breaks down the milestones into detailed goals and benchmarks. In fact, UNMIK has moved on to develop a set of progress indicators, to systematically track what has been achieved and to identify areas where greater efforts need to be made. We found this document very helpful in assessing progress in Kosovo. We wonder whether the same could be done for UNMISET and for Timor-Leste. We would appreciate Ambassador Sharma's comments.

Someone once commented to me that the meetings on Timor-Leste had become very boring. I think that this is a good sign. It shows that we are basically on the right track on Timor-Leste. Paradoxically, the best ways to ensure that we keep the meetings on Timor-Leste boring in the months to come is to ensure that the international community remains engaged in this process.

Mr. Corr (Ireland): May I first express appreciation to Special Representative Sharma for his briefing on the United Nations Mission of Support in East Timor (UNMISET) and, as other colleagues have already done this morning, to thank Ambassador Sharma and the men and women of UNMISET for their work, which is being carried out in the highest traditions of the United Nations.

I would also like to extend a warm welcome to the Permanent Representative of Timor-Leste, Ambassador Guterres, for the first time since his country joined the United Nations on 27 September. Membership of the United Nations is a recognition of nationhood and of having a place among the peoples of the world — a moment of arrival, as for any new Member State, for the people of Timor-Leste.

Ireland associates itself fully with the statement that will be delivered shortly by the representative of Denmark, on behalf of the European Union.

The report of the Secretary-General highlights that remarkable progress has been made in a number of important areas and that the benchmarks set out in the plan for UNMISET are being met. The work of nation-building is proceeding well. At the same time, the report also highlights the considerable challenges facing the new State and rightly points out that the continued engagement of the international community

is essential to ensure that Timor-Leste has the chance it deserves to seize the opportunity history has given it.

The Government and the people of Timor-Leste are to be congratulated for the way in which they have set about building their future. The Government's National Development Plan, in our view, reflects a balanced course for the country's medium-term economic and social needs. Ireland admires the judgement of the authorities in Timor-Leste for giving priority to the protection of human rights. The rejection of the death penalty is an admirable example of the direction in which the country intends to go. Timor-Leste is meeting, as Ambassador Sharma said, the highest standards expected of a democratic State.

We applaud the manner in which President Gusmão and his Government are approaching foreign policy, particularly Timor-Leste's crucial relationship with Indonesia. Ireland welcomes the establishment by the two countries of the Joint Ministerial Commission and the fact that they are jointly addressing issues such as border demarcation and access to Timor-Leste from Oecussi. The test of the Commission and, more broadly, of the resolve of the two countries will be in the implementation of equitable solutions to these issues. Additionally, a just outcome for those who committed serious crimes in 1999 will be important for the positive development of relations between the two countries. Such an outcome would also be good for both societies.

It is right to focus on the many positive developments of the sort I have mentioned, but it is right for the Council not to ignore the very real challenges remaining in Timor-Leste in addressing which the Council can still play a role, through UNMISET.

Timor-Leste is unquestionably a very poor country. The fact that only 23 per cent of its modest budgeted revenue is locally generated puts into stark focus the challenge Timor-Leste faces in creating a sustainable economic environment. As many have remarked this morning, it is clear the donor community will have an essential role to play well after the current phase of immediate post-independence engagement.

It is no particular surprise that the justice sector is struggling. We cannot expect a country with a long colonial history, which suffered much violence before independence, to produce overnight a functioning justice sector. The justice sector is a highly important

face of authority, however, and has a particularly critical role to play in maintaining the confidence of the people in their institutions. In view of the ongoing difficulties, Ireland would encourage the widest possible cooperation between the Government and the international community to address the most urgent needs. A situation in which a majority of the prison population is being held for long periods without trial because the court system does not function properly needs to be addressed with the utmost urgency.

The significant progress in training and developing the Police Service is encouraging. So too is the news that an UNMISET-led mission is to assess the longer-term policing needs. This is the sort of work the Security Council should promote. The Secretary-General's report also confirms that UNMISET is on target with the development of Timor-Leste's defence forces, although it stresses that continued donor and bilateral support will be necessary for this progress to continue.

It is natural that UNMISET has concentrated on the central institutions of government, as mandated in resolution 1410 (2002). We all agree on the need to strengthen the capacity of the central Government, something essential to the functioning of the new State. At the same time, however, we should not overlook the fact that 80 per cent of the population is rural-based. This has implications for local institution-building and, by extension, for the consolidation of the legitimacy of authority. Those involved in the sub-national governing structure should receive support and guidance on operational matters. In this respect Ireland's development cooperation programme, Ireland Aid, has undertaken to help the Government develop terms of reference for a study on decentralization options.

Ireland is closely involved in a range of development cooperation programmes in Timor-Leste. We have been so since 1999, and last year we opened a representative office in Dili. Our experience there has shown us that bilateral aid is crucial to the future development of Timor-Leste. That country had already been identified by Ireland's Development Aid programme as a priority for reconstruction and rehabilitation activity. The work we are doing strongly supports and complements the priorities set by the Security Council in resolution 1410 (2002) and the work of UNMISET.

The way in which the Council has handled the situation in Timor-Leste since the tragic and chaotic days of August 1999 has demonstrated that the United Nations, in this as in other areas, is fully capable of successfully handling very complex tasks. For more than three years, the Council and the international community have been adroit and generous in their handling of the situation. During that period, the situation in Timor-Leste has greatly improved. The United Nations mission there has evolved from peacekeeping to peace-building.

The current mission shows that peace-building is very much part of the Council's work, and not merely something to be contracted out to other parts of the United Nations system. Only a few years ago, it was very difficult to convince the United Nations membership that the Council should be engaging in peace-building work. Now, that debate appears to have been put to rest, to the benefit of Timor-Leste and the United Nations. It is now appropriate that in the period ahead the Council should maintain its vigorous involvement with Timor-Leste. Ireland strongly urges that it do just that.

Mr. Valdivieso (Colombia) (*spoke in Spanish*): I wish to welcome Ambassador Kamalesh Sharma and express our gratitude to him for his presentation of the report (S/2002/1223) on the activities of the United Nations Mission of Support in East Timor (UNMISET). Through him, I also wish to congratulate the members of his team; the very important start of their activities and the success they are having will guarantee a very promising outcome for the Mission.

It has been five months since the Democratic Republic of Timor-Leste declared its independence and less than two months since it was admitted as a full Member of our Organization. The new Government has been steadily consolidating itself, and has been promoting participative democracy, in keeping with the expectations of the international community.

The dissatisfaction of certain sectors of the population, as noted in the report, highlights the difficulties and challenges the Government faces in achieving the development and well-being of the population. We welcome the Government's efforts to establish good relations with the other States of the region and its participation in the Association of South-East Asian Nations (ASEAN) as an observer.

I would like to make a few comments on the objectives set by the Security Council in resolution 1410 (2002). Regarding the programme on stability, democracy and justice, we underscore the work being done by the Civilian Support Group in addressing gaps within the administration in key areas, including finance, the legal system and the management of administrative and governmental affairs. As already mentioned in this Chamber, the insufficient technical and substantive capacity of the public administration is a serious obstacle to stability.

The justice system remains perhaps the weakest link in the new State. The Secretary-General's report points out the need to strengthen the various components of that system. It is clear that an effective system for the administration of justice is not something that can be achieved in a short time. It is necessary to continue and to redouble efforts, since the proper functioning of the justice system impacts on the stability and the development of the State.

The need to bring to trial those responsible for the grave crimes committed in 1999 has been raised on several occasions in the Security Council. We appreciate information on action that has been taken thus far by the Special Panels for Serious Crimes and the envisaged date of completion, 31 December 2002, although the Panels will continue to assist prosecutors even after that date.

We are concerned about the assertion in paragraph 22 of the report regarding the emergence of additional cases of serious crimes different from those provided for in the implementation plan. These might involve crimes against humanity and might go uninvestigated. The fact that the Commission for Reception, Truth and Reconciliation has begun its activities is also positive. My delegation has already underscored the importance of the work that needs to be done by that body, since, as is well known, there can be no reconciliation without justice.

Regarding the internal security and law enforcement programme, while we note that the security situation is normal and the fact that the UNMISSET civilian police have already transferred control of four of the 13 districts to the Timor-Leste Police Service, it would be important here to echo the appeal made by Ambassador Sharma at the end of his statement regarding terrorism. It seems that the region has been selected for terrorist action, at least according

to a large number of reports and much information. Therefore, this is a warning that I would like to echo, because it is clearly reflected in the report.

We have also taken note of the fact that the UNMISSET police component has been reduced by one third, in keeping with the plan, and that training is proceeding satisfactorily. Nonetheless, we also attach importance to the joint assessment mission soon to take place, in which the Government, the United Nations and donor countries will participate, to assess the level of training and logistical support needed and to identify resource difficulties.

Regarding the programme on external security and border control, although the report indicates that external security and border control have continued to improve — in particular, control of militia activities and criminal activities at the border — the risk of terrorism, to which we have already referred, is also a concern. We associate ourselves with all those who have expressed their solidarity with the families of the two officers of the peacekeeping component who were killed in the Bali attack.

The return of refugees from West Timor, which continued following independence and which reached its highest level in June and July, has declined. It may be that this could be dealt with in the short term, as the Office of the United Nations High Commissioner for Refugees has indicated.

The security situation is also very encouraging. As scheduled, by the end of November, the first phase of the programme for downsizing the military component of UNMISSET will be complete. Future progress will depend on maintaining security in Timor-Leste and on the successful development, through sufficient donor and bilateral support, of the national defence force and the Border Patrol Service.

Let me say in conclusion that capacity-building and empowering the local population in all areas — security, economy, justice and governance — continues to be the main work to be done. We are pleased that, to date, the situation is evolving within the envisaged parameters, including the plan to downsize UNMISSET.

The President (*spoke in Chinese*): I should like to make a statement in my capacity as the representative of China.

At the outset, I wish to thank the Secretary-General for his report (S/2002/1223) and Ambassador Sharma for his detailed briefing. I would also like to extend a welcome to Ambassador Guterres as the first Permanent Representative of Timor-Leste to the United Nations. His presence has made today's meeting more meaningful.

Since the independence of Timor-Leste, encouraging changes have been taking place, one after another. Under the leadership of the new Government, and with the enormous support of the United Nations Mission of Support in East Timor (UNMISET), the people of Timor-Leste are carrying out nation-building on all fronts in a gradual and orderly manner. It is also pointed out in the report that leaders of Timor-Leste are vigorously pursuing broadly based democratic participation on the domestic front. On the diplomatic front, they are actively building and developing friendly relations and cooperation with the international community, particularly with the countries of the region. China is pleased to note that both Timor-Leste and Indonesia are committed to good-neighbourliness. That is bound to contribute positively to the long-term stability of Timor-Leste and of the region as a whole.

Under the leadership of Mr. Sharma, Special Representative of the Secretary-General, UNMISET is comprehensively carrying out the mandate given to it by resolution 1410 (2002). In so doing, it has established good working relations with the Government of Timor-Leste and the various sectors of the country. We note that the Mission has done much to help Timor-Leste to improve its administrative capacity and to put in place a judicial system. It has also made progress in the areas of police training, the transfer of policing responsibilities and cooperation with the national defence force of Timor-Leste. In addition, the Mission's military component has maintained an effective presence in the border areas and has established a mechanism for consultation and cooperation with the Government of Indonesia; this has played a key role in improving the security environment in Timor-Leste.

China appreciates the Mission's achievements and will continue to support its work. We look forward to an even greater role for the Mission under the outstanding leadership of Ambassador Sharma.

Of course, there are still many difficulties to be overcome in the work of the new Government and of the Mission. As the report of the Secretary-General repeatedly points out, the support of the international community is of crucial importance to the various aspects of capacity-building in Timor-Leste and to the transition from United Nations functions to traditional development assistance. It is therefore necessary that the international community increase its input in Timor-Leste and fully implement its commitments. In addition, an adequate solution to the issue of refugees will have an impact on the long-term stability and security of Timor-Leste. We hope that the Governments of Timor-Leste and Indonesia will continue to work to make progress in that regard.

China long supported Timor-Leste in its quest for independence. We will continue to support the people of Timor-Leste in their efforts at building a nation. Within our capabilities, we will also continue to provide support.

I now resume my functions as President of the Council.

It is my pleasure to welcome the Permanent Representative of Timor-Leste, Mr. José Luis Guterres, who is taking the floor for the first time in this Chamber as the representative of a Member of the United Nations. I now give him the floor.

Mr. Guterres (Timor-Leste): It is both an honour and a privilege for me to address this body for the first time as the first representative of the Democratic Republic of Timor-Leste to the United Nations. Allow me, therefore, to take this opportunity to convey my Government's deep appreciation for the unwavering support of the Council, and of the United Nations in general, throughout the years of Timor-Leste's struggle for freedom and self-determination. I would also like to assure the Council of my country's full support in its deliberations on the other important issues before it.

My delegation sincerely congratulates you, Sir, on your assumption of the presidency. We have no doubt that your experience and dedication will guide the Council in its deliberations in times when difficult decisions are required.

My Government would also like to commend the Secretary-General for his comprehensive and balanced report on the United Nations Mission of Support in East Timor (UNMISET) before the Council today. The

report (S/2002/1223) reflects the hard work of the Secretary-General's Special Representative, Mr. Kamallesh Sharma, and his staff. His advice and leadership during the past six months underscore the continued commitment of the United Nations to Timor-Leste.

The report indicates that much still needs to be done. We fully agree with that conclusion. The Government and the people of Timor-Leste stand ready to face the many challenges ahead of us. In doing so, we are committed to the principles promoted by the United Nations: democracy, transparency and respect for human rights and the rule of law.

At the same time, however, I must ask for the Council's understanding. Timor-Leste is still a young country; its transition from decades of violence and deprivation to being a fully functioning member of the community of free States is not yet completed. The difficult task of building human and institutional capacities and an infrastructure needs time. Building a self-sufficient and prosperous nation will require the Council's continued support and partnership, as well as that of the international community at large.

In its first National Development Plan, the Government of the Democratic Republic of Timor-Leste has identified the key challenges that will confront the country in the years to come. Poverty reduction, education, health care, infrastructure and economic development and institutional capacity-building at all levels of Government remain top priorities. Therefore, funding the posts called for by the Secretary-General to support Timor-Leste's efforts in the areas of development and poverty reduction is critical to the viability and long-term political stability of Timor-Leste. We need personnel that have the expertise and capacity to accomplish the goals set forth in the National Development Plan. That will help not only to foster the investments and progress already made in the country's economic and social recovery, but also to achieving the goals contained in the Millennium Declaration.

UNMISSET's mandate also calls for assistance in law enforcement and the justice sector. The development of an effective, independent and impartial legal system is an area of great concern to the Government of Timor-Leste. It is central to the security and stability of our nation, reconciliation among our people and the creation of an investor-friendly

economic environment. We understand that our civil servants and lawyers still have things to learn. Training and capacity-building therefore remain key priorities. Creating a justice system from scratch cannot be done over night. It requires the sustained effort and commitment of all of us — Government, civil society and the international community.

While reconstruction challenges remain paramount, I would like to highlight some of the positive political developments within Timor-Leste and outside it. Democratic culture and political participation are growing. The first laws have been passed, and the Parliament has become the proud sovereign of our young nation. The reconciliation and return of refugees has continued. Just recently, President Gusmão visited West Timor with a delegation of 100 citizens from Timor-Leste to encourage the return and resettlement of the remaining refugees. Reconciliation and healing between the Timorese will also further improve relations with Indonesia.

Strengthening relations with Indonesia is a priority of my Government. As mentioned in the report, President Xanana Gusmão's first State visit took him to Jakarta, where President Megawati Soekarnoputri warmly received him. In addition, a high-level meeting was recently held, which resulted in the creation of the Joint Ministerial Commission for Bilateral Cooperation between the two countries. In addressing issues of mutual concern, the Commission will further strengthen friendly and neighbourly relations.

The negotiations with Australia on petroleum exploitation in the Timor Sea are well on track.

On the international level, Timor-Leste has become a member of the African, Caribbean and Pacific Group of States (ACP) and a member of the Community of Portuguese-Speaking Countries (CPLP), and we support the Indonesian initiative to establish the South-West Pacific Forum, comprised of Australia, Indonesia, New Zealand, Papua New Guinea, the Philippines and Timor-Leste. We have been invited to participate as an observer in meetings of the Association of South-East Asian Nations (ASEAN) and of the Pacific Island Forum. Timor-Leste has established diplomatic relations with several countries and has started to open its first diplomatic missions. We have ratified the Rome Statute for an International Criminal Court, and we have accelerated preparations

for ratification of several international human rights instruments by 10 December 2002.

Of course, Timor-Leste is fully committed to the global fight against terrorism. Cowardly attacks against innocent civilians are morally repugnant, and we intend to fully cooperate with the work of the Counter-Terrorism Committee established pursuant to Security Council resolution 1373 (2001). However, since Timor-Leste's law enforcement and security apparatus, including its defence and police force, is still in its nascent stage, we need the continued presence of the international police and peacekeeping force until we have the capacity to meet these and other goals on our own. Downsizing now would be premature and would jeopardize the achievements of recent years. I would urge Council members to adhere to the targets established by the Council in May 2002.

In this context, I would like to convey my Government's heartfelt sympathies and condolences to the families of the victims of the senseless terror attack in Bali. Among the lives lost were those of United Nations staff members serving in my country. We share your loss. Just yesterday, President Xanana Gusmão laid a wreath at the site of the tragedy.

Let me conclude by expressing, once again, my Government's deep appreciation for the continued support of the United Nations and the Secretary-General. Timor-Leste is on a good path. Although progress has been made, much work remains to be done.

The President (*spoke in Chinese*): I thank the representative of Timor-Leste for his kind words addressed to me.

The next speaker inscribed on my list is the representative of Fiji. I invite him to take a seat at the Council table and to make his statement.

Mr. Naidu (Fiji): It is a pleasure for us to have Ambassador Kamallesh Sharma amidst us, and we thank him most sincerely for the very comprehensive report he has presented to the Council.

In all previous meetings of the Security Council on East Timor, we had leaders from Dili, but it is now a great pleasure for us to see post-independence Timor-Leste represented by the Permanent Representative, Ambassador Guterres in the Council today.

Mr. President, I requested the floor to contribute to this debate on behalf of the Pacific Islands Forum (PIF) members in New York: Australia, Republic of the Marshall Islands, Federated States of Micronesia, Nauru, New Zealand, Papua New Guinea, Samoa, Solomon Islands, Tonga, Tuvalu, Vanuatu and my own country, Fiji, as well as Kiribati and Palau. The subject of Timor-Leste is close to our members owing to its affinity and proximity to our region. We are aware of the fact that the future sustainability and stability of Timor-Leste has a significant bearing on our own subregional and wider regional good-neighbourly relations, security and stability. It is at least for those reasons that several PIF members have taken active roles in both the United Nations Transitional Administration in East Timor (UNTAET) and the United Nations Mission of Support in East Timor (UNMISET).

The Pacific Islands Forum group wishes to thank the Secretary-General and his Special Representative for a candid account of the UNMISET targets that have been met, some beyond projections, but some goals are still outstanding. We are pleased to see the Mission adhering closely to the agreed downsizing phases and timetable, neither faster nor slower, and we are very hopeful that goodwill from all parties will ensure a final withdrawal under phase 4 in June 2004.

We welcome the positive developments that have taken place since the independence of, and transition of governance to, Timor-Leste.

The fragility of the country's nascent institutions in the sectors of justice, internal security and law enforcement, external security and border control and development constitutes an uphill challenge. As can be expected, its first Human Development Report shows poor indicators on poverty, literacy and life expectancy, and it confirms Timor-Leste as the poorest nation in Asia in terms of financial and human development. The Secretary-General's report also serves as an opportunity for Timor-Leste to chart its own course of development away from poverty, and our Group endorses the Secretary-General's recommendations for continued engagement towards this goal.

For its part, the activities of the Timor-Leste Government in making laws and in building national institutions and international networks are significant achievements. They are also evidence of its growing integrity and deep commitment to working with the

United Nations Support Mission. In addition to Timor-Leste's participation in meetings of the Association of South-East Asian Nations (ASEAN) and the third Summit of the African, Caribbean and Pacific Group of States (ACP), we also note Timor-Leste's special observer status, with equivalent rights of an observer, in the 33rd Pacific Islands Forum, held also in Fiji this year, as reported in United Nations document A/57/331. We urge United Nations entities system-wide, Bretton Woods institutions, civil society and organizations to build on that Government's bilateral and multilateral efforts to promote sustainable development.

We now want to highlight two areas in the Secretary-General's report that require continued international assistance. We recognize that development of the public administration is significant for good governance. In this respect, we welcome the recruitment of stability and development advisors to act as mentors in the transfer of skills to the Government. We encourage UNMISSET to maintain its focus on the development of a self-reliant civil service.

Secondly, positive efforts in building on human rights institutions in Timor-Leste are generating international confidence in the Government's work. We note progress made in the work of the Commission for Reception, Truth and Reconciliation, and in the parallel innovative concept of a community reconciliation process. The more stable security situation, the growing number of indictments issued by the Serious Crimes Unit, the non-violence training in police units and the awareness programmes on gender and HIV/AIDS are timely responses to the multiple vulnerabilities facing Timor-Leste. Despite some progress in meeting agreed targets, much remains to be achieved in the justice and police systems.

The President (*spoke in Chinese*): The next speaker inscribed on my list is the representative of Chile. I invite him to take a seat at the Council table and to make his statement.

Mr. Valdés (Chile) (*spoke in Spanish*): First of all, I should like to express to you, Sir, our congratulations on your wise leadership of the Security Council during this difficult period. The Chilean delegation also wishes to thank you for the convening of this open debate, an opportunity that enables us to express our own views on an important process to which we feel connected in a special way. In addition, I

wish to express our appreciation for the valuable information given to us today by Ambassador Kamallesh Sharma, Special Representative of the Secretary-General for Timor-Leste, whom we sincerely congratulate on his constant efforts aimed at the development of that new nation.

Since 1961, Chile has been part of the Special Committee on the Situation with regard to the Implementation of the Declaration on the Granting of Independence to Colonial Countries and Peoples - a body in which we have worked hard to promote, inter alia, the principle of self-determination of the non-self-governing Territories included on the agenda of the United Nations. For that reason, we fully realize the importance of the significance for the inhabitants of Timor-Leste of having won the right to embark on the path of a viable and independent nation as of 20 May 2002.

For Chile, it is a source of particular pride to have participated in the previous period, as a member of the United Nations Transitional Administration in East Timor (UNTAET), in a United Nations effort to contribute to the process of that country's independence and reconstruction. For that reason, my Government takes special interest in and is following closely the first steps of the Democratic Republic of Timor-Leste as an independent nation. We should like to emphasize, in that regard, the efforts of the Government headed by President Xanana Gusmão, and we welcome Timor-Leste's admission to the United Nations on 27 September.

As pointed out by the Secretary-General in his most recent report (S/2002/1223), my country agrees that, although the authorities and the people of Timor-Leste have continued to work to strengthen the foundations of their country during the first five months of its independence, its new institutions will remain fragile in the immediate future. In that regard, we value the commitments of the international community, especially the work being carried out by the United Nations Mission of Support in East Timor (UNMISSET), and the cooperation of donor countries. We note with interest the work being carried out in the areas of stability, democracy and justice, particularly progress achieved with regard to finances, the judicial system and the management of administrative and governmental resources. However, we recognize that there are many problems that must be resolved, and we believe that priority should be given to overcoming the

many difficulties that persist in the judicial sector and in the prison system.

We also attach great importance to the establishment of the Commission for Reception, Truth and Reconciliation and the work that it has begun in the country's 13 districts. That is a very significant contribution with regard to human rights and an inescapable necessity for any democratic transition. Chile can attest to the fact that reconciliation is not stable and does not lead to effective peace unless it is accompanied by truth and justice with respect to human rights.

We observe with great interest the work undertaken in the area of external security and border control, and we value the progress achieved. Nevertheless, we share concern at the risk of terrorism faced by the region, especially after the attack in Bali, Indonesia. In that regard, we consider it highly important that necessary measures continue to be implemented to guarantee the security of the people of Timor-Leste and of United Nations personnel.

We also consider it necessary to continue to work for the return of refugees, as that is a prerequisite for stability. We emphasize the work accomplished in that regard by the Office of the United Nations High Commissioner for Refugees and by President Gusmão himself. We value the efforts and the rapprochement observed between the Government of Indonesia and the Government of Timor-Leste, which facilitates fulfilment of the commitments undertaken and which may help in meeting the timetable envisaged for UNMISSET's reduction and ultimate withdrawal.

However, we know that there are still great challenges to be met and that the road ahead is not free of difficulties. Therefore, it is imperative that sufficient bilateral assistance continue to be provided in various fundamental sectors mentioned in the report. In that connection, it is extremely important that the donor community maintains the firm commitment of support that it has undertaken on behalf of Timor-Leste.

The President (*spoke in Chinese*): I thank the representative of Chile for the kind words that he addressed to me.

The next speaker on my list is the representative of New Zealand. I invite him to take a seat at the Council table and to make his statement.

Mr. MacKay (New Zealand): At the outset, I should like to thank Ambassador Sharma for his introductory comments on the report (S/2002/1223) and also to compliment Ambassador Guterres on his first statement before the Council.

The Secretary-General's report on the United Nations Mission of Support in East Timor (UNMISSET) is comprehensive and forward-looking. It usefully covers the challenges of nation-building, including the formidable task of developing a sustainable economy. I should like to associate New Zealand with the statement made by Fiji on behalf of the Pacific Islands Forum, and I should like to make a few additional comments from a purely New Zealand perspective.

Such stock-taking is timely and of special interest to New Zealand, particularly given this week's withdrawal of the New Zealand battalion and aviation detachment, in line with the Council's schedule for downsizing the United Nations presence in Timor-Leste. The New Zealand Defence Force battalion and aviation detachment have been part of the United Nations peacekeeping force since 1999. New Zealand's experience of working in a coalition battalion group during the past three years has been overwhelmingly positive, and it has been enriching and rewarding for our military personnel. I should like to take this opportunity to thank the countries that have served alongside us for their cooperation and support. These include Fiji and Nepal, and two members of the Council, Ireland and Singapore.

Although New Zealand's military presence in Timor-Leste will greatly reduce this month, our involvement in Timor-Leste will certainly continue. New Zealand is committed to contributing further to Timor-Leste's nation-building, and to maintaining a secure and stable environment in which this can take place.

Up to 26 New Zealand Defence Force personnel will remain in the country as United Nations Military Observers, headquarters staff officers and bilateral training support to the Timor-Leste defence force. We will also continue to provide targeted development assistance, focussed primarily on community and natural resource development, basic education and governance and institution capacity-building.

I would like briefly to comment on a few areas of the Secretary General's report. Revenue should begin to flow from the country's petroleum and gas reserves in the Timor Sea in the next 2 to 4 years, following the ratification and implementation of the Timor Sea Treaty. We welcome Timor-Leste's efforts at promoting sound and transparent development planning and budgeting, and believe that this will serve the country well when the revenues become available for use.

Timor-Leste's future prosperity will depend much on the strength of its bilateral and regional relations. The bilateral relationship between Timor-Leste and Indonesia will be especially important and indeed Ambassador Guterres has highlighted this in his statement before the Council this morning. In this respect, we welcome the many positive developments that have occurred in this regard, particularly the formation of the Joint Commission for Bilateral Co-operation between Timor-Leste and Indonesia. At its first meeting last month, the Commission announced initiatives to resolve residual issues like the demarcation of a common land border. Having had troops deployed in a border area, New Zealand fully appreciates the importance of agreement on demarcation of the land border between Timor-Leste and West Timor for maintaining a sound security environment in the region as a whole.

It is also encouraging that other regional countries have increased their engagement with Timor-Leste in various areas. This augurs well for Timor-Leste's integration within the region.

New Zealand shares other donors' concerns about the current weaknesses of the justice sector in Timor-Leste, which lacks both physical and human resources. We have seen reports, for example, that people are being held for long periods in prison on remand, and in some cases without adequate warrant. We endorse the Secretary-General's recommendation that international donors should focus on this sector.

With regard to the corrections system, New Zealand has supported the establishment of the Timor-Leste Prison Service since early 2000. We will continue working with the Government, the United Nations and other donors to further strengthen and develop the capacity in corrections management, consistent with international best practice.

We note the Secretary-General's recommendations that the Timor-Leste Police Force needs more resources in order to carry out its mandate effectively, particularly in the outer districts. The rule of law is of utmost importance and, indeed, Ambassador Sharma highlighted that in his statement to the Council this morning. Clearly, people need to have faith in the ability of the police force and the justice system as a whole to provide a safe and protective environment and, again, the international community needs to assist in this respect as well.

Timor-Leste's security will also be underpinned by further progress in addressing the legacy of the violence committed in 1999. This includes the truth-telling process being carried out by the Commission for Reception, Truth and Reconciliation, as well as the effective prosecution of major human rights crimes by the Serious Crimes Panel in the Dili District Court. We fully support United Nations assistance to the Serious Crimes Unit. Equally important are the ad hoc tribunals currently under way in Jakarta. New Zealand was extremely disappointed at the first verdicts in those trials and has a number of concerns about that process, which to be credible, must be robust.

We agree with the report's assessment that progress has been steady, but that international support remains vital to strengthen the still fragile institutions of Timor-Leste. New Zealand remains committed to playing its part in this effort.

Ms. Løj (Denmark): I have the honour to speak on behalf of the European Union. The countries of Central and Eastern Europe associated with the European Union — Bulgaria, Czech Republic, Estonia, Hungary, Latvia, Lithuania, Poland, Romania, Slovakia, Slovenia — and the Associated Countries, Cyprus, Malta and Turkey, as well as the European Free Trade Association country of the European Economic Area, Iceland, align themselves with this statement.

It is a pleasure to be able to start my intervention by thanking our former colleague Ambassador Kamallesh Sharma, the Secretary-General's Special Representative, for his statement regarding the situation in Timor-Leste. Allow me also to commend you, in your capacity as President of the Security Council, for convening this open meeting on the United Nations Mission in East Timor's (UNMIST). The European Union welcomes this opportunity to

congratulate the people and the elected representatives of Timor-Leste on the birth of their new nation, as well as Timor-Leste's admission to the United Nations.

In its efforts to build a nation, the people of Timor-Leste have shown great political maturity, choosing to support democracy and to establish sound and friendly relations with their neighbours as the only viable path to peace and progress.

The European Union welcomes and supports the efforts of the new Government, under President Xanana Gusmão, to consolidate the fragile political institutions in Timor-Leste. Furthermore, the European Union supports the efforts to ensure and uphold democratic institutions and the rule of law while building the new nation. We support the Government's commitment to respect human rights, including its firm rejection of the death penalty.

We welcome the positive development in the neighbourly relations between Timor-Leste and Indonesia. The first decisions on border delineation have recently been taken. We hope the cooperation in this field will continue in the same friendly spirit and we believe that the present steps bode well for future cooperation between the two countries on a number of crucial issues. Cooperation is highly called for on bringing those responsible for serious crimes committed in 1999 to justice. Refugee issues are another area of importance. The European Union supports the efforts of the Government of Timor-Leste to welcome back the refugees still remaining in West Timor.

In spite of the achievements of the past three years and in spite of continued progress, there are still major tasks to be accomplished in the coming months and years. As one of the poorest nations in South-East Asia, Timor-Leste faces a number of challenges. There is a critical need for the continued support of the international community.

The United Nations continues to have an important role to play in the nation-building efforts of Timor-Leste. We note with satisfaction that UNMISET's operations have generally progressed according to schedule. UNMISET should stay in Timor-Leste as long as it is deemed necessary for the fulfilment of its mandate. A strategy has already been set out, including deadlines for downsizing personnel. This strategy must be kept under review in order to make sure that it accurately takes into account

developments in relation to both the internal and the external security situation.

The European Union is concerned about the recent atrocious events in Bali, which constitute a worrying indicator of increased international terrorist risks in the region. The European Union commends the ongoing efforts by the Timorese authorities to ensure external security, in parallel with its efforts to maintain internal security, the rule of law and law enforcement. We nevertheless worry about the potential vulnerability of a country still in the process of building its security institutions. In this regard, we underline the importance of continued international cooperation in the fight against terrorism and of the adoption of adequate measures to prevent, combat and eliminate terrorism.

Many European Union nationals have participated in the successive United Nations missions in Timor-Leste and will remain present in UNMISET. The European Union has made considerable efforts to support the new nation, and the European Union, as well as its member States, will continue its development cooperation with Timor-Leste.

The President (*spoke in Chinese*): I thank the representative of Denmark for her kind words addressed to me.

There are eight speakers remaining on my list, and Mr. Sharma would also like to respond to the questions raised during the debate. However, as time is running out for this morning's meeting, I will give the floor to one more speaker before suspending the meeting.

The next speaker inscribed on my list is the representative of Indonesia. I invite him to take a seat at the Council table and to make his statement.

Mr. Hidayat (Indonesia): Allow me to express the gratitude of the delegation of Indonesia to you, Mr. President, and to the delegation of China, for convening this open meeting on the Situation in Timor-Leste. We acknowledge the presence in our midst today of the Special Representative of the Secretary-General and Head of the United Nations Mission of Support in East Timor, Ambassador Kamallesh Sharma. We welcome him back to New York; my Government certainly has had the privilege of working closely with him. We thank him for his thoughtful statement to the Council, which he made earlier. My delegation is also grateful to the Secretary-General for his report.

As is well known, Indonesia had, even before Timor-Leste became an independent State last May, developed a warm and special relationship with the one hundred and ninety-first Member of our Organization.

It is in this connection that we are pleased to applaud the progress that Timor-Leste has made since its independence. As we declared in this Chamber last May, the Government of Indonesia has supported UNMISET in the execution of its mandate, and it will continue to do so. It is our firm belief that progress in Timor-Leste will require the cooperation of the members of the international community.

The first meeting, in Jakarta last month, of the Joint Ministerial Commission for Bilateral Cooperation, set up by Indonesia and Timor-Leste in July 2002 to facilitate consultation and cooperation, marked a further step on the path towards improved bilateral relations between the Governments of Timor-Leste and of Indonesia. The Commission established five working groups to deal with border issues, trade and finance, legal matters, educational and cultural affairs and transport and communications.

With particular reference to the complex border question, both sides agreed to adapt the former Joint Border Committee of Indonesia and the United Nations Transitional Administration in East Timor (UNTAET). That body's first meeting was originally scheduled for 18 and 19 November 2002, but, because of Ramadan, it has been rescheduled for 18 and 19 December. The Committee has been charged with finalizing an agreement by 30 June 2003. In this connection, it may be recalled that in April and May 2002, Indonesia and UNTAET undertook a joint reconnaissance survey aimed at working towards the delimitation of the land border between Indonesia and Timor-Leste, including the enclave. Both nations have also arranged to commence formal discussions on maritime border issues by the first half of 2003.

At the regional level, it is also my pleasure to point out that early last month, Indonesia's South-West Pacific Dialogue initiative was realized; Timor-Leste is a founding participant in that process. Its attendance at Association of South-East Asian Nations meetings bodes well for the further integration of Timor-Leste into longer-term relationships with the region. Indonesia is proud of the modest strides made in its relationship with Timor-Leste, symbolized by the creation of the Joint Commission and the holding of the

South-West Pacific Dialogue. To us, such meetings are a reflection of the mature cooperation between two sovereign States. I believe such cooperation deserves the wholehearted support of the Council and the international community.

I should like now to touch on the issue of refugees, which has been on the table for some time. Indonesia expects a comprehensive solution by the end of this year. Towards that end, my Government will provide additional incentives for those who opt to return to Timor-Leste by the end of this year. President Xanana Gusmão's visit to East Nusa Tenggara early this month is also part of the redoubled efforts being made by Indonesia and Timor-Leste to encourage the remaining refugees to return.

We take note of the Secretary-General's remarks concerning the low rate of returns in the past two months. One of the major impediments is the lack of the financial support envisaged when the Joint Appeal by Indonesia and the United Nations was launched last November. We therefore reiterate the need for the international community to contribute generously and fulfil its financial commitments to the Joint Appeal. Only through concerted efforts by Indonesia, Timor-Leste and the international community can this problem be solved expeditiously and comprehensively.

In the area of external security and border control, we support the assertion in the report that the overall situation has continued to improve since the previous report of the Secretary-General was issued. Efforts by the Governments of Timor-Leste and of Indonesia in this regard are clearly having the desired effect, and Indonesia is determined to ensure that progress does not stop. To this end, the cooperation and consultation between the Indonesian military in West Timor and their counterparts in UNMISET will be maintained. In order to encourage progress on this vital issue, however, it is our view that in preparing the reports of the Secretary-General, efforts must be made to avoid using terminology or making references that do not reflect the situation in the field. If there are criminal elements in the border area, for instance, they should be characterized as such. Of course, criminal activities are common problems and need common efforts.

While Indonesia pursues these avenues of bilateral and multilateral cooperation in support of the young State, there is tremendous room for the

international community at large to support these efforts. In this connection, we draw attention to the appeal of the Secretary-General to the Security Council and the donor community to remain engaged in Timor-Leste, to build upon their outstanding contribution to date and to fully realize this promise. Not only will such a commitment enable UNMISET to adhere to the timetable that has been set, but it will enable the Government and the people of Timor-Leste to make the kind of steady progress that they badly need. Meanwhile, Indonesia will continue to stand by them and to provide its assistance and encouragement.

Finally, we would like once again to reiterate that the relationship between the two countries has been flourishing extremely well at all levels, and therefore we urge the members of the international community, as well as the United Nations, to support this.

The President (*spoke in Chinese*): I thank the representative of Indonesia for the kind words he addressed to me.

The meeting was suspended at 1.05 p.m.